

FTB Pub. 1098 Guidelines for the Development and Use of Substitute, Scannable and Reproduced Tax Forms

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ALL FTB TAX FORMS

Introduction

The Franchise Tax Board (FTB) prescribes the format of California tax returns, schedules, statements and declarations. California Revenue and Taxation Code Sections 18431 and 18621 give FTB the authority to approve or reject any substitute or scannable tax form that is commercially printed, computer produced or computer programmed that does not meet the guidelines mentioned in this publication or that would cause processing problems. In exercising this authority, FTB's primary objectives are to ensure that the tax forms:

- Are compatible with FTB's automated processing system;
- Are compatible with FTB's image processing system;
- Result in the accurate assessment of the taxpayer's tax liability; and
- Present information in a uniform pattern.

These guidelines are for computerized tax processors, developers of tax software, computer programmers, commercial printers, and others who develop and use substitute, scannable and reproduced tax forms or who must get FTB's approval of their substitute, scannable and reproduced tax forms.

Unless stated otherwise, the term "form" as used in these guidelines includes tax returns, schedules, statements and declarations.

What's New for 1997?

- The identifier located in the entity area on all personal income tax forms (scannable Forms 540 and 540A and Forms 540EZ, 540NR and 540X) will be "97." This field is mandatory for Scannable Forms 540 and 540A. However, this field is optional for Forms 540EZ, 540NR and 540X. See the scannable form specifications and record layouts in this publication for exact placement.
- FTB is modernizing and re-engineering its cashiering system by replacing its current cashiering system with a high speed, image-based remittance processing system. To ensure accurate and timely processing, bar codes, registration marks and constrained hand-print boxes have been added to all 1997 California tax forms. **Note:** Computer-generated forms DO NOT require constrained hand-print boxes. However, the registration marks, bar code and dollar symbol (\$), where applicable, are required. See "**Bar Code and Registration Marks Specifications and Dollar Symbol (\$) Legend for Use on California 1997 Tax Forms ***" on page 10 and "Tax Form Legend:" on page 12 for more information.
- FTB has added the following form to the list of forms that require approval before releasing to your customers and clients.
 - Form 540-V, Return Payment Voucher for Individuals
- FTB will offer Direct Deposit of Refunds for taxpayers who electronically file their 1997 tax return. In addition, FTB has added Form 540NR, Nonresident or Part-Year Resident Income Tax Return (and supporting schedules) to its Electronic Filing Program (ELF). Tax professionals who have nonresident clients who want to file their return electronically, may do so for tax year 1997. Interested tax professionals

can find out more about FTB's ELF Program by calling the ELF Help Desk at (916) 845-0353. The hours are Monday through Friday, 8:00 a.m. through 5:00 p.m., Pacific time, except for holidays.

- To help eliminate confusion on how to bring forward credit amounts from Schedule P (100, 540, 540NR and 541) see **"Claiming "Special" Credits on Personal and Business Entity Tax Forms (Forms 100, 100S, 540 and 540NR)"** on page 24.
- To help eliminate confusion about when to check the "CA TMT limit" box on scannable Form 540, Side 1, line 21, see **"When to Check the "CA TMT limit" Box on Scannable Form 540, Line 21"** page 31.

Definitions of Substitute, Scannable and Reproduced Tax Forms

Substitute Tax Form

A form, other than the official FTB form, that is:

- Computer produced;
- Computer programmed; and
- Commercially typeset and printed.

FTB must be able to process substitute tax forms in the same manner as the official forms. Substitute tax forms that are electronically processed must be compatible with FTB's automated system. Therefore, substitute tax forms that are electronically processed must duplicate the appearance and layout of the official form including size of margins, special keying symbols, line numbers and code numbers.

Dot Matrix Text Mode Forms

For filing purposes, FTB does **not** accept ANY dot matrix facsimile California tax forms and schedules because they do not contain the data entry keying symbols, graphic bar code and other required graphics necessary for processing. Companies must clearly state in the top margin of all electronically processed text mode forms:

"DO NOT FILE THIS FORM."

Scannable Tax Forms (540 and 540A)

Scannable tax forms are processed using FTB's Image Assisted Data Capture (IADC) system. The computer prepared scannable Form 540 and Form 540A are similar to the official Form 540, California Resident Income Tax Return and Form 540A, California Resident Income Tax Return, with the following exceptions on Side 1:

- 1) A scannable graphic patch located in the center top margin;
- 2) The taxpayer entity information layout; and
- 3) A scannable band area that contains the taxpayer's tax data and tax preparer's ID number.

The rest of the scannable Form 540 and Form 540A are exactly like the official Form 540 and Form 540A. See **"Scannable Form 540 and Form 540A"** on page 25 for more information.

Overlays may be developed for scannable Form 540 and Form 540A. See **"Submitting Forms to FTB for Approval"** on page 15 for more information.

Reproduced Tax Form

A photocopy of the official FTB form.

Who Must Get Approval of Substitute, Scannable and Reproduced Tax Forms?

Substitute and Scannable Forms

Any company that develops and uses substitute and/or scannable tax forms must get approval from FTB. For a list of which forms require FTB approval, see “**Forms/Schedules That Require FTB Approval**” beginning on page 8.

The company must get approval from FTB if it develops:

- Scannable and/or substitute tax forms using its own tax software programs;
- Tax software programs to be used with scannable and/or substitute tax forms developed by another company; and
- Scannable and/or substitute tax forms for other companies to use with their tax software programs.

Commercial printers or business forms companies that develop and use scannable and/or substitute tax forms must also get approval from FTB.

Each year, the company must get approval from FTB **before** releasing or distributing substitute and/or scannable tax forms that require FTB approval as a paper copy or as part of a software product to its customers or clients.

If your software produces substitute and scannable tax forms that are not approved by FTB, you must clearly state in the top margin: “**DO NOT FILE THIS FORM.**”

If your company is described above, your customers or clients do not need to get additional approval from FTB to use your FTB approved substitute and/or scannable tax forms. But they should verify that your substitute and/or scannable tax forms have been approved by FTB. Examples of customers or clients who should verify FTB approval by asking you for a copy of your FTB approval letter are:

- Tax practitioners who purchase software that produces substitute and/or scannable tax forms;
- Tax practitioners who use batch processing service bureaus that produce substitute and/or scannable tax forms;
- Tax practitioners who purchase substitute and/or scannable tax forms from commercial printers or business forms companies; and
- Software providers who sell the products of tax software developers who design substitute and/or scannable tax forms.

If you are a customer or client using the forms, software, services or products referred to above, verify FTB's approval to use the substitute and scannable tax forms by asking the company for a copy of its FTB approval letter.

Reproduced Forms

FTB will accept reproductions of official forms without FTB approval if the reproductions are:

- Facsimiles of the official form produced by photo-offset, photoengraving, photocopying or other similar reproduction process;
- Facsimiles of scanned images of the official form;

- Printed with black ink on white paper of substantially the same weight, texture and quality as the official forms;
- Legible in both the original text of the form and the filled-in data; and
- The same dimensions as the official form, including the paper and the image reproduced on it.

The signatures of the taxpayer, and spouse if any, and the tax preparer on the reproduced forms must be original.

FTB will accept one-sided reproduced tax forms even if the official form is two-sided. However, FTB prefers two-sided reproduced forms that result in the same page arrangements as the official form.

You may not file reproduced tax forms that do not meet the preceding guidelines. Reproduced tax forms that deviate from the official forms are considered substitute tax forms.

Note: Scannable tax forms may not be reproduced for manual preparation. If your company has customers or clients who manually prepare their client's tax return, FTB will provide you with final proofs of the official forms.

Note: Publishers may reduce the size of the official forms to make them suitable for inclusion in reference material. However, publishers must clearly state on the forms: **“DO NOT FILE THIS FORM.”**

Note: Scannable tax forms may not be included in CD-ROM “Reader” or Library products. FTB will provide you with final proofs of the official forms to include in these products.

Forms/Schedules That Require FTB Approval

The following forms and schedules need approval by FTB. Submit **two (2)** original sample documents.

Form/Schedule	What needs approval
Form 100	form, keying symbols, ID code, bar code, registration marks, dollar symbol (\$)
Form 100-ES	form, ID code, form size, bar code, registration marks, dollar symbol (\$)
Form 100-FEE-X	form, ID code, keying symbols, bar code, registration marks, dollar symbol (\$)
Form 100S	form, keying symbols, ID code, bar code, registration marks, dollar symbol (\$)
Form 100X	form, keying symbols, ID code, bar code, registration marks, dollar symbol (\$)
Form 109	form, keying symbols, ID code, bar code, registration marks, dollar symbol (\$)
Form 199	form, keying symbols, ID code, bar code, registration marks, dollar symbol (\$)
Form 540	conventional form, patch, line geometry, entity data placement, scanband data placement, keying symbols, ID code, source code, dollar symbol (\$)
Form 540 overlay	same as Form 540 as well as the instructions on how to use the overlay
Form 540A	conventional form, patch, line geometry, entity data placement, scanband data placement, keying symbols, ID code, source code, dollar symbol (\$)
Form 540A overlay	same as Form 540A as well as the instructions on how to use the overlay
Form 540-ES	form, shading (voucher 4 only), ID code, form size, bar code, registration marks, dollar symbol (\$)
Form 540EZ	form, entity data, keying symbols, ID code, source code, bar code registration marks, dollar symbol (\$)
Form 540NR	form, shading, entity data, keying symbols, ID code, source code
Form 540NR	form, shading, entity data, keying symbols, 4 digit decimal placement on line 25a, ID code, source code, bar code, registration marks, dollar symbol (\$)
Form 540-V *	form, ID code, form size, bar code, registration marks, dollar symbol (\$)
Form 540X	form, entity data, keying symbols, ID code, bar code, registration marks, dollar symbol (\$)
Form 541	form, keying symbols, ID code, bar code, registration marks, dollar symbol (\$)
Form 541-ES	form, shading (voucher 4 only), ID code, form size, bar code, registration marks, dollar symbol (\$)
Form 565	form, keying symbols, ID code, bar code, registration marks, dollar symbol (\$)
Form 568	form, keying symbols, ID code, bar code, registration marks, dollar symbol (\$)
Form 592	form, keying symbols, ID code, bar code, registration marks, dollar symbol (\$)
Form 592-A	form, ID code, bar code, registration marks, dollar symbol (\$)
Form 592-B	form, ID code, bar code, registration marks
Form 597	form, ID code, bar code, registration marks, dollar symbol (\$)
FTB 3500	form, ID code, bar code, registration marks
FTB 3519 *	form, shading, ID code, form size, bar code, registration marks, dollar symbol (\$)
FTB 3522 *	form, shading, ID code, form size, bar code, registration marks, dollar symbol (\$)
FTB 3525	form, ID code, bar code, registration marks
FTB 3537 *	form, shading, ID code, form size, bar code, registration marks, dollar symbol (\$)
FTB 3538 *	form, ID code, form size, bar code, registration marks, dollar symbol (\$)

Form/Schedule	What needs approval
FTB 3539 *	form, shading, ID code, form size, bar code, registration marks, dollar symbol (\$)
FTB 3560	form, ID code, bar code, registration marks
FTB 3563 *	form, shading, ID code, form size, bar code, registration marks, dollar symbol (\$)
FTB 3582 *	form, ID code, form size, bar code, registration marks, dollar symbol (\$)
FTB 3805P	form, ID code, bar code, registration marks, dollar symbol (\$)
FTB 8453	form, ID code
FTB 8633	form, ID code
FTB 9000	form, shading, ID code, keying symbols, bar code, registration marks, dollar symbol (\$)
FTB 9000R	form, shading, ID code, keying symbols, bar code, registration marks, dollar symbol (\$)
Sch. CA (540)	form, ID code, bar code, registration marks
Sch. CA (540NR)	form, 4 digit decimal placement on line 33, ID code, bar code, registration marks
Sch. K-1 (100S)	form, keying symbols, ID code, bar code, registration marks
Sch. K-1 (541)	form, ID code, bar code, registration marks
Sch. K-1 (565)	form, keying symbols, ID code, bar code, registration marks
Sch. K-1 (568)	form, keying symbols, ID code, bar code, registration marks
Sch. P (100)	form, keying symbols, ID code, bar code, registration marks
Sch. P (540)	form, ID code, bar code, registration marks
Sch. P (540NR)	form, ID code, bar code, registration marks
Sch. P (541)	form, ID code, bar code, registration marks
Sch. R, Side 1, Side 2 and Side 3	form, keying symbols, ID code, bar code, registration marks
Sch. R-7 (Sch. R, Side 4	form, ID code, bar code, registration marks

* Form **must** print at the bottom of the paper.

All substitute California tax forms (including the ones that do not require approval from FTB) **must** include the bar code and registration marks and dollar symbol (\$), where applicable. Instructional text that begins below the form on Side 1 or Side 2 may be omitted. However, the bar code and bottom registration mark **must** remain as shown on the official form.

Note: Computer-generated forms DO NOT require constrained hand-print boxes. However, the registration marks, bar code and dollar symbol (\$), where applicable, are required.

You do **not** need approval from FTB to use a form or schedule that is not listed above if you abide by the substitute tax form guidelines beginning on page 18.

Bar Code and Registration Marks Specifications and Dollar Symbol (\$) Legend for Use on California 1997 Tax Forms *

Bar Code

- Location: lower left corner, running vertically from bottom to top.
- 3/4" from left and 1/2" from bottom of page.
- Width 1/4".
- Font style is Code 3 of 9 (Code 39).
- White space around bar code 1/8" wide.
- Check digits are not required.
- Position of contents within bar code:

<u>Positions</u>	<u>Contents</u>
1 - 5	Form number (540A, 3805P, etc.) **
6 - 7	Tax year (2 digit, i.e., 97)
8	Side/page number (1 digit number, exclude text)

- If form number is less than five (5) characters, compress the bar code. **Do not** add spaces to fill the remaining positions. **Example:** 587 is three (3) characters. The bar code for the 1997 Form 587, Side 1 will be "587971"
- If single-sided form, no Side 2 (as on vouchers), place bar code on side with form/instructions. Identify side number in bar code as "1."
- Multi-sided/paged forms must have a bar code on all pages. **Exception:** Companies are not required to print Side 2, 3, etc. if it contains instructions only.
- For "generic" tax forms, the bar code should contain the year of revision (i.e., 97 for 1998 process year forms). **Note:** Estimate vouchers will include "98" as the tax year in the bar code.
- It is acceptable for the bar code to begin below the bottom horizontal graphic line. However, all margins **must** be maintained.

***The bar code is not required on Scannable Form 540 and Form 540A.**

**** See Tax Form Legend: on page 12 for the RAMP Acronym (form number to use in bar code).**

Registration Marks

- The 2 point graphic line at the top of the form and the 1 point graphic line at the bottom of the form will be used as the registration marks.

Dollar Symbol \$:



(Example Shown To Scale)

Dollar Symbol (\$) Legend

	Measurements in Inches
Height	.150-.200
Width	.100-.160
Stroke width	.013-.020
Preferred aspect ratio (height to width)	3 : 2
Acceptable aspect ratio	Not less than 1 : 1 or greater than 2 : 1

Font:

The dollar symbol (\$) should be HELV BOLD 14 point. Other font alternatives that may be used are HELV BOLD 12 point, 10 point or 8 point.

Examples of an Unacceptable Aspect Ratio:

\$ \$ \$ \$ \$ \$

ALL FTB TAX FORMS

Tax Form Legend:

Acronyms and Dollar Symbol (\$) Requirement

All forms listed require a bar code and registration marks.

*Form **must** print at bottom of paper.

FTB FORM NAME	RAMP ACRONYM	\$ SYMBOL LINES	FTB FORM NAME	RAMP ACRONYM	\$ SYMBOL LINES	FTB FORM NAME	RAMP ACRONYM	\$ SYMBOL LINES
100	100	41, 43	3519 *	3519	AMT. OF PYMT.	5870A	5870A	N/A
100-ES	100ES	INSTALL. AMT.	3521	3521	N/A	9000	9000	N/A
100-FEE-A	100FA	N/A	3522 *	3522	AMT. OF PYMT.	9000R	9000R	N/A
100-FEE-X	100FX	12, 13	3523	3523	N/A	9110	9110	N/A
100S	100S	41, 43	3525	3525	N/A	B/C (100S)	B100S	N/A
100-WE	100WE	N/A	3526	3526	N/A	CA (540)	CA540	N/A
100X	100X	28, 29	3535	3535	N/A	CA (540NR)	CANR	N/A
109	109	28, 30	3536	3536	N/A	D (100S)	D100S	N/A
199	199	13	3537 *	3537	AMT. OF PYMT.	D (540)	D540	N/A
540	540	58, 59	3538 *	3538	AMT. OF PYMT.	D (541)	D541	N/A
540A	540A	35, 36	3539 *	3539	TAX DUE	D (565)	D565	N/A
540-ES	540ES	AMT. OF PYMT.	3540	3540	N/A	D (568)	D568	N/A
540EZ	540EZ	35, 36	3546	3546	N/A	D-1	D1	N/A
540NR	540NR	67, 68	3547	3547	N/A	G-1	G1	N/A
540-V *	540V	AMT. OF PYMT.	3548	3548	N/A	H (100)	H100	N/A
540X	540X	26, 28	3553	3553	N/A	H (100S)	H100S	N/A
541	541	37, 38	3560	3560	N/A	J (541)	J541	N/A
541-A	541A	N/A	3563 *	3563	AMT. OF PYMT.	K-1 (100S)	K100S	N/A
541-B	541B	N/A	3565	3565	N/A	K-1 (541)	K1541	N/A
541-ES	541ES	AMT. OF PYMT.	3580	3580	N/A	K-1 (565)	K1565	N/A
541-T	541T	N/A	3582 *	3582	AMT. DUE	K-1 (568)	K1568	N/A
565	565	28, 30	3800	3800	N/A	P (100)	P100	N/A
568	568	12, 14	3801	3801	N/A	P(540)	P540	N/A
570	570	13, 16	3801-CR	3801C	N/A	P (540NR)	PNR	N/A
587	587	N/A	3802	3802	N/A	P (541)	P541	N/A
588	588	N/A	3803	3803	N/A	R	R	N/A
590	590	N/A	3805E	3805E	N/A	S	S	N/A
590-P	590P	N/A	3805P	3805P	4			
590-RE	590RE	N/A	3805Q	3805Q	N/A			
592	592	5, 8, 11	3805V	3805V	N/A			
592-A	592A	7	3806	3806	N/A			
592-B	592B	N/A	3807	3807	N/A			
597	597	CA W/H	3830	3830	N/A			
597-A	597A	N/A	3832	3832	N/A			
597-B	597B	N/A	3833	3833	N/A			
597-C	597C	N/A	3834	3834	9, 10			
1116	1116	N/A	3885	3885	N/A			
1117	1117	N/A	3885A	3885A	N/A			
2416	2416	N/A	3885F	3885F	N/A			
2424	2424	N/A	3885L	3885L	N/A			
2426	2426	N/A	3885P	3885P	N/A			
3500	3500	N/A	5805	5805	N/A			
3501	3501	N/A	5805F	5805F	N/A			
3507	3507	N/A	5806	5806	N/A			

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How Does the Forms Approval Process Work?

The following are the steps in the FTB approval process:

- Complete and submit form FTB 1096, Agreement to Comply With FTB Pub. 1098 and mail to the address shown on the form. Once FTB receives the completed form FTB 1096, FTB will:
 - Coordinate the filing of form FTB 1096;
 - Register the company identification code;
 - Put your company's name on a mailing list to receive advance drafts and final proofs of California tax forms and instructions as well as other pertinent information needed to develop your product; and
 - Publish your company's name in FTB's **TAX NEWS** Newsletter as participating in the substitute, scannable and reproduced tax forms program. (**TAX NEWS** is a bi-monthly publication subscribed to by tax practitioners, enrolled agents, CPAs, etc.)
- Submit your company's forms and schedules that require FTB approval to FTB for review **before** you distribute or release them, or related products, to your customers or clients. For instructions on submitting your company's forms, see “**Forms/Schedules That Require FTB Approval**” on page 8 and “**Submitting Forms to FTB for Approval**” on page 15.

When we receive your company's forms review package, we will fax your company's contact person the cover letter that accompanied the review package indicating:

- The date the package was received; and
 - The expected completion date of the review (10 working days from the date the package is received in the Tax Forms Development and Distribution Section).
- We will fax an FTB approval letter to the company's contact person. This letter will indicate which forms are approved, approved if corrected or disapproved. When applicable, the fax will also include a copy of the form(s) that need corrections. A hard copy of the FTB approval letter and its attachments will be mailed the same day.

If the form is “approved if corrected,” you **DO NOT** need to resubmit it for approval if you make the necessary corrections.

If the form is “disapproved,” you may resubmit the form again after you make the corrections. For instructions on resubmitting your disapproved form, see “**Submitting Forms to FTB for Approval**” on page 15.

When we receive your company's resubmitted forms review package, we will fax your company's contact person the cover letter that accompanied the review package indicating:

- The date the package was received; and
- The expected completion date of the review. The expected completion date for resubmits will be 3 working days from the date the package is received in the Tax Forms Development and Distribution Section. If your cover letter does not indicate that the form(s) is a resubmit, the date may be 10 working days from the date we received the package.

Note: FTB does not review or approve the logic of specific software programs or confirm the calculations entered on substitute and scannable tax forms output from software programs. The accuracy of software programs is the responsibility of the software developer, distributor or user.

What the Company Should Do for its Customers and Clients

Notify your customers or clients of the minimum computer hardware required for use with your software to produce your company's FTB approved substitute and scannable tax forms (i.e., printers, printer fonts, font cartridges, etc.).

Provide your customers or clients with an FTB approved overlay. Include instructions on how to use the overlay correctly to produce your company's FTB approved forms. All overlays must include the required graphics.

Provide your customers or clients with the instructions for correctly producing your FTB approved substitute and scannable tax forms. These instructions must include information on the hardware requirements, including printing requirements and how to enter taxpayer entity information.

Upon request, provide your customers or clients with a copy of FTB approval letters.

Upon request from FTB, substantiate notices of correction in your software sent to your customers or clients.

Submitting Forms to FTB for Approval

Prior to submitting your company's substitute and/or scannable forms, review the areas listed below. This will help to ensure that your company's forms meet the FTB requirements for approval.

- “**Substitute Tax Forms**” beginning on page 18;
- “**Scannable Form 540 and Form 540A**” beginning on page 25; and
- “**Forms/Schedules That Require FTB Approval**” beginning on page 8.

First submit

When you first submit your company's substitute and/or scannable forms for approval, please do the following. This format, will expedite the review process.

- Include a cover letter along with your forms package. If your software does not support a particular field or field size, etc. indicate this information in your letter.
- Submit **two (2)** original sample documents.
- When preparing to submit scannable Forms 540 and 540A and the overlays, if any, use the checklists on pages 33 and 49.
- When preparing to submit Forms 540EZ, 540NR, and 540X, submit examples of how the entity information will print. Use the “Entity Data Placement” section of “**Submitting Scannable Form 540 and Scannable Form 540 Overlay for Approval Checklist**” (page 33).
- **Do not** submit a fax copy on first submit. Hard copies are required for first submit.
- When forms submitted are produced on multiple printers, identify the printer type on each form.
- Send your forms and overlays by courier, freight or UPS to:

**ATTN: TAX FORMS DEVELOPMENT AND DISTRIBUTION SECTION/LYNDA RUSH
FRANCHISE TAX BOARD
9645 BUTTERFIELD WAY
SACRAMENTO CA 95827**

Resubmit

If your form was disapproved and you are resubmitting it for approval, please do the following. Doing so will expedite the review process.

- Make all corrections.
- Include a cover letter (and indicate “resubmit”) along with your forms package. If your software does not support a particular field or field size, etc. indicate this information in your letter.
- Submit **two (2)** original sample documents.
- When forms submitted are produced on multiple printers, identify the printer type on each form.
- Resubmit your forms by fax **only** if your FTB letter indicates that you may resubmit by fax. Otherwise, send your forms and overlays by courier, freight or UPS to:

**ATTN: TAX FORMS DEVELOPMENT AND DISTRIBUTION SECTION/LYNDA RUSH
FRANCHISE TAX BOARD
9645 BUTTERFIELD WAY
SACRAMENTO CA 95827**

What Are the Benefits of Following the Guidelines for the Development and Use of Substitute, Scannable and Reproduced Tax Forms?

You will benefit by following the Guidelines for the Development and Use of Substitute, Scannable and Reproduced Tax Forms because:

- FTB will be able to review your tax forms and respond to you quickly;
- FTB will be able to process your approved tax forms which will result in fast, accurate processing and quick refunds; and
- You will have happier customers and clients who are confident with your product.

What Are the Consequences of Not Following the Guidelines for the Development and Use of Substitute, Scannable and Reproduced Tax Forms?

FTB will work with you to correct the errors in your tax forms.

If you release forms that fail to follow the Guidelines for the Development and Use of Substitute, Scannable and Reproduced Tax Forms, FTB:

- Will require you to send proof (e.g., revised forms, excerpts from revised user's manuals, release letters for new versions of software, etc.) that you have corrected the errors and notified your customers or clients of the corrections;
- Will publish your company's name in **Tax News** and other publications, stating that your company did not follow the Guidelines for the Development and Use of Substitute, Scannable and Reproduced Tax Forms. FTB will publicize such a violation even if you subsequently correct the errors on your tax forms; and
- May notify taxpayers, if you fail to correct the problem, that refunds are delayed because your tax forms were not approved by FTB.

How Do I Contact FTB Regarding Substitute, Scannable and Reproduced Tax Forms?

Mail all correspondence regarding substitute, scannable and reproduced tax forms and related issues to:

**ATTN: TAX FORMS DEVELOPMENT AND DISTRIBUTION SECTION/LYNDA RUSH
FRANCHISE TAX BOARD
PO BOX 1468
SACRAMENTO CA 95812-1468**

Send courier, freight or UPS deliveries to:

**ATTN: TAX FORMS DEVELOPMENT AND DISTRIBUTION SECTION/LYNDA RUSH
FRANCHISE TAX BOARD
9645 BUTTERFIELD WAY
SACRAMENTO CA 95827**

Or you may call the Tax Forms Development and Distribution Section at (916) 845-3442.

Note: Due to the large volume of mail that FTB receives and processes through the PO Box address, it is recommended that you use the courier, freight or UPS mailing address for your forms packages. Doing so will help to ensure that your forms packages are delivered to the Tax Forms Development and Distribution Section on the date they are received at FTB.

SUBSTITUTE TAX FORMS

Guidelines for Preparing Substitute Tax Forms

Because of legislative changes, equipment innovations and procedural improvements, these guidelines are subject to change.

Instructional Text

You may omit only instructional text from forms; however, when doing so, please be consistent. Examples of such text are: “See instructions,” “Attach to Form 540” and “Attach schedule.”

Monetary Amounts

Electronically processed substitute tax forms must include the vertical rule (“penny line”) that separate dollars from cents. However, if your tax software program prints a decimal point following the dollar amount, you may remove the vertical rule. Please indicate this in your forms review package cover letter.

You may omit printing the cents, but all monetary amounts entered on the form must follow a consistent format. You are strongly urged to round the figures to whole dollar amounts. This follows the official return instructions.

When printing monetary amounts you must use one of the following ten character formats:

(a) 0,000,000. (b) 000,000.00

Unless a specific line instruction requires a zero (-0-), leave the line blank when there is no entry. **Do not** print the word “NONE.”

Negative Amounts

When printing negative monetary amounts you must use one of the following formats:

(a) (549.) (b) -549.

Layout

The layout of a substitute tax form must follow the official form, including: title; space for taxpayer name and identification number; year; captions; line numbers and line descriptions. See “**Submitting Forms to FTB for Approval**” on page 15 for more information. Also see “**Guidelines for Printing Taxpayer Entity Information for Forms 540EZ, 540NR, and 540X**” on page 21 for more information.

You may limit captions and line descriptions from the official form to one print line on your substitute form. To do this, you may use abbreviations and contractions and omit articles and prepositions. However, you must retain key words that make identification of the caption or line description clear.

You may combine substitute forms that do not require FTB approval on one page as long as you clearly identify them. You may include an explanation next to entries shown on a substitute form or use a supporting statement to explain an entry. If you use a supporting statement, it must refer to the entry on the substitute form it supports. In turn, the entry on the substitute form must refer to the supporting statement.

You may modify substitute tax forms that do not require FTB approval to make them suitable for computer preparation. Do not make changes that would impair FTB's ability to review, store or handle. If you have questions about your proposed design, please contact FTB and speak with the Substitute Forms Program Administrator at (916) 845-3553.

You may use copies of federal forms in lieu of separate California forms. However, you must reconcile any California differences. Get FTB Pub. 1006, California Tax Forms and Related Federal Forms, for more information. **Note:** This publication will be included in the 1997 California Package X, Tax Forms Catalogue.

Company Identification (ID) Code

All substitute tax forms included in your company's software products **must** include your company's ID code. The company ID code may be your company's initials or some other alpha or alphanumeric code chosen by your company. You must register the company ID code with FTB by filing form FTB 1096, Agreement to Comply with FTB Pub. 1098.

Developers of Form Only

Program your company ID code to print in the upper left-hand corner on each page of each substitute tax form. See example 1 below.

Developers of Software to be Used with Another Company's Form

Program your company ID code to print in the bottom left-hand corner on each page of each substitute tax form. **Note:** Verify the grid location made available for your ID code with your forms developer. See example 2 below.

Developers of Form and Software

If your company develops both the form and the tax software, print your company ID code in the upper left-hand corner only. Failure to do so will result in the disapproval of your substitute tax form. See example 1 below.

Company ID code(s) enable FTB to contact the company should a problem occur with the substitute tax form.

Example 1 - Developers of Form Only AND
Developers of Form and Software

Example 2 - Developers of Software to be Used with
Another Company's Form

Keying Symbols

Keying symbols are codes that FTB's key data operators use to enter tax return information into FTB's automated files. These symbols reduce the time it takes to key data enter tax return information and they help FTB's key data operators to enter the correct information.

In preparing substitute tax forms, you must **exactly duplicate** these keying symbols. Failure to do so will result in the disapproval of your substitute tax forms. See **“Forms/Schedules That Require FTB Approval”** on page 8 for forms that may contain keying symbols. The placement, shape and size of keying symbols are shown in the example below. The actual symbols and their placement may change from year to year.

Example of keying symbols on a tax form:

- 66 (00)
- 5 max) ▶ 67 (00)
- 5 max) ▶ 68 (00)
- 69
- UE. Mail your return to: 94240-0000 ■ 70
- ck or money order payable to

Source Code

Source code “4” identifies a form as being a substitute tax form. You must print this source code on Form 540EZ and Form 540NR. An example of the placement of the source code is shown below.

Example of source code placement on a tax form:

- 72
- ete ☐ ■ 73
- ete • 74 ☐
- Schedules and statements, and to the best of my
- 4
- (Int, both must sign) Date

Margins

Your substitute tax forms must have margins on all sides at least as large as the margins on the official forms. Generally, margins on the official forms are 1/2” or larger.

Type Style

FTB designs California tax forms using Helvetica type style in increments of 6 lines per inch and 10 strike zones per inch. Substitute tax forms must closely resemble the style and size of type used on the official forms.

Shading Requirements

FTB shades specific areas on some California tax forms. Your substitute tax forms must be shaded in those areas. Failure to do so will result in the disapproval of your substitute tax forms. The exact placement may change from year to year.

Paper

Print substitute tax forms on good quality, white standard stock machine paper. Use paper that is 8 1/2” x 11”.

Ink

Use black ink.

Internal Control Numbers

Internal control numbers and symbols used by computerized processors to identify the taxpayer and tax practitioner may be shown on substitute tax forms. However, the taxpayer or representative must agree to the use of such numbers or symbols. If you use these numbers or symbols, **do not** print them in the top right margin of the substitute tax form. Print them in either the top left margin or the bottom margin. If your company chooses to print these numbers in the bottom margin, **print them away from the bar code**.

Guidelines for Printing Taxpayer Entity Information for Forms 540EZ, 540NR, and 540X

Use the following guidelines to program entity data (taxpayer's name and address area) on Form 540EZ, Form 540NR and Form 540X. Failure to do so will result in the disapproval of these substitute tax forms.

Note: On these forms, the entity information does not need to begin on a specific line.

Asterisks in the Entity

Two asterisks (**) on line 1 of the entity indicate to FTB's key data operators that taxpayer entity information is **unchanged** from the previous year. In that case, FTB's key data operators only need to enter the taxpayer's social security number (SSN) and the first four letters of the taxpayer's last name. This saves FTB time and prevents data entry errors. FTB's computer will then retrieve the complete name(s), address and SSN(s) for the taxpayer and the taxpayer's spouse, if any.

Users of your product may **only** print two asterisks (**) on line 1 of the entity area if the taxpayer (and taxpayer's spouse, if any):

- Filed a California Form 540, 540A, 540EZ, or 540NR return last year;
- Did not change the address from the one shown on last year's return;
- Has the same SSN as last year;
- Has the same name (first, middle and last) as last year;
- Has the same filing status as last year; and
- Is not deceased.

Note: Users of your product may **only** print two asterisks (**) on line 1 of the entity on Form 540X **only** if all of the above conditions exist. Otherwise they should **not** print the asterisks.

If the above conditions are not met or the taxpayer entity information has changed, do **not** print two asterisks (**) on line 1 of the entity area. Failure to follow these instructions may prevent updated information from being recorded on the taxpayer's file.

Taxpayer Entity Information Examples:

111-11-1111 MISS ** 97
LISA A MISSION

1234 STATE ST
CROWN CA 12345-6789

111-11-1111 TAXP ** 222-22-2222 97
JOHN Q TAXPAYER
JANE S TAXPAYER

12345 SHORT ST
ANYPLACE CA 12345

111-11-1111 CART 97
SUSAN M CARTOON

HOMESTYLE NURSING HOME
1234 BEAUTIFUL DR
WELCOME CA 54321

111-11-1111 WILL ** 222-22-2222 97
ROBERT J WILLIAMS
BARBARA S WILLIAMS

9876 LONGNAME WY APT 141
WALLACE CA 12345-6789

111-11-1111 SMIT 97
ROBERT J SMITH (DECD 12-10-97)

3452 BUSY DR ROBERT ROBERTS
BORDERTOWN CA 12345 NO 5

SUBSTITUTE TAX FORMS

Note: If there is no spouse name, leave that line blank. If there is no additional address or executor/guardian name, leave that line blank.

To reduce the instances where your user hears from a client about processing problems, include the following in your user's manual:

- Asterisks in the Entity on page 21.
- Entry Instructions below

Entry Instructions

- Alpha characters must be in upper case.
- Use no punctuation or symbols. **Note:** If a fraction is part of the street address, enter a forward facing slash (/). **Note:** This is the **only** symbol that may be used in the taxpayer name and address area.
- Monetary amounts. See "Monetary Amounts" on page 18 for specific information on how to enter.
- **Do not** space in the name control field.
- **Do not** include titles or ranks such as DR MD ENSIGN SGT etc.
- Use Roman numerals (alpha characters) for numeric suffixes.
- Never space in name field except for JR SR II etc.
- The SSN must be eleven digits (includes "-"). Enter "000-00-0000" in the SSN field if an individual has applied for or does not have an SSN.
- Use standard abbreviations for the suffix of the street name. See "Standard Abbreviations" on page 23.
- **Do not** enter apartment and apartment number/letter in the street address field. Enter in the designated "apartment" and "apartment number" fields. These fields are on the same line as the street address field. **Note:** Enter APT, BLDG, SP, STE, RM, FL, NO and UN in the "apartment" field.
- Additional address field is a supplemental field used for **only**: "in care of" name; additional address information.
- Military "APO" or "FPO" addresses:
 - a) Enter "APO" or "FPO" in the first three positions of the city field;
 - b) **Do not** enter the name of the city for "APO" and "FPO" addresses; and
 - c) Enter two-digit state code in the state field:

<u>City Field</u>	<u>State Code</u>	<u>Zip Code Range</u>
APO	AA	34000-34099
APO	AE	09000-09899
FPO	AP	96200-96599

- In the state field, use the standard two-digit abbreviation for the state or the United States possession. See "State or U.S. Possessions Abbreviations" on page 23.
- If foreign address, enter country beginning in the state field.
- Zip code can be ten digits (includes "-").
- Apply these guidelines, then truncate if the information exceeds the field length.

Note: To help eliminate those instances when the City, State and ZIP code are entered into the City Field, add an error check at the end of the City Field for numeric characters.

Standard Abbreviations

AIR FORCE BASE	AFB	PARKWAY	PKY
APARTMENT	APT	PLACE	PL
AVENUE	AV	POST OFFICE BOX	PO BX
BOULEVARD	BL	ROAD	RD
BUILDING	BLDG	ROOM	RM
CIRCLE	CIR	SAN	SN
COURT	CT	SOUTH *	S
DEPARTMENT	DEPT	SOUTHEAST *	SE
DRIVE	DR	SOUTHWEST*	SW
EAST *	E	SPACE	SP
FLOOR	FL	SQUARE	SQ
HIGHWAY	HWY	STREET	ST
LANE	LN	SUITE	STE
NORTH *	N	TERRACE	TER
NORTHEAST *	NE	UNIT	UN
NORTHWEST *	NW	WAY	WY
NUMBER	NO	WEST *	W

* ABBREVIATE ONLY WHEN USED AS A DIRECTION.

State or U.S. Possessions Abbreviations

ALABAMA	AL	MONTANA	MT
ALASKA	AK	NEBRASKA	NE
AMERICAN SAMOA	AS	NEVADA	NV
ARIZONA	AZ	NEW HAMPSHIRE	NH
ARKANSAS	AR	NEW JERSEY	NJ
CALIFORNIA	CA	NEW MEXICO	NM
COLORADO	CO	NEW YORK	NY
CONNECTICUT	CT	NORTH CAROLINA	NC
DELAWARE	DE	NORTH DAKOTA	ND
DIST COLUMBIA	DC	NORTHERN MARIANA	MP
FEDERATED STATES OF	FM	ISLANDS	
MICRONESIA		OHIO	OH
FLORIDA	FL	OKLAHOMA	OK
GEORGIA	GA	OREGON	OR
GUAM	GU	PALAU	PW
HAWAII	HI	PENNSYLVANIA	PA
IDAHO	ID	PUERTO RICO	PR
ILLINOIS	IL	RHODE ISLAND	RI
INDIANA	IN	SOUTH CAROLINA	SC
IOWA	IA	SOUTH DAKOTA	SD
KANSAS	KS	TENNESSEE	TN
KENTUCKY	KY	TEXAS	TX
LOUISIANA	LA	UTAH	UT
MAINE	ME	VERMONT	VT
MARSHALL ISLANDS	MH	VIRGIN ISLANDS	VI
MARYLAND	MD	VIRGINIA	VA
MASSACHUSETTS	MA	WASHINGTON	WA
MICHIGAN	MI	WEST VIRGINIA	WV
MINNESOTA	MN	WISCONSIN	WI
MISSISSIPPI	MS	WYOMING	WY
MISSOURI	MO		

Guidelines for Developing Substitute Schedule K-1s (565)

Tax software developers, professional preparers, transfer agents and others may choose to develop substitute Schedule K-1s (565) in a paper or electronic format.

Tax software developers, professional preparers, transfer agents and others who choose to develop substitute Schedule K-1s (565) in the paper format must complete and return to FTB, form FTB 1096, Agreement to Comply With FTB Pub. 1098.

Tax software developers, professional preparers, transfer agents and others who develop substitute Schedule K-1s (565) in the electronic format (on diskette or magnetic tape) must submit a test file to ensure process compatibility. These entities must also complete and return to FTB, form FTB 1096, Agreement to Comply With FTB Pub. 1098. For more information about how to develop electronic Schedule K-1s (565) get FTB Pub. 1062, Guide for K-1 (565) Filing by Diskette or Magnetic Media.

Substitute Schedule K-1s (565) may be either a one-sided or two-sided format. The one-sided format requires only tax data lines (line 1 through line 22 and tables) that are applicable to the taxpayer to print. The two-sided format will print all data lines. Both require review and approval before releasing to customers and clients.

Claiming “Special” Credits on Personal and Business Entity Tax Forms (Forms 100, 100S, 540 and 540NR)

Use the following to program “special” credits in your company’s personal and business entity software products. If the personal or business entity taxpayer claims only one, two or three credits, the credit name, code number (use credit acronym and code number shown on page 32) and amount should print on the applicable lines of Forms 100, 100S, 540 and 540NR. When a taxpayer claims credits on Schedule P (100, 540, 540NR) and they are listed in more than one section, total column (b) of the credits that have the same code numbers and bring the total forward to the applicable line of the form being filed.

If the personal or business entity taxpayer has any other credits to claim, on Schedule P (100, 540, 540NR), add the amounts from column (b) for those credits and bring the total forward to the applicable line of the form being filed. It’s not sufficient to print “See Schedule P” or “Schedule P Attached” in the credits area on the return. The credits **must** be brought forward to the applicable lines of the form being filed. It is also unacceptable to use the “more than three credits” line or the total credits line if the individual credit lines are blank.

SCANNABLE FORM 540 AND FORM 540A

Introduction

These guidelines are for computerized tax processors, tax software developers, computer programmers, and others who develop software that produces scannable Forms 540 and 540A. FTB will use its IADC system to process scannable forms.

Scannable Forms 540 and 540A will be the only computer prepared format of Form 540, California Resident Income Tax Return, and Form 540A, California Resident Income Tax Return, that FTB will approve. FTB will provide an alternative, on a case by case basis, for those companies who cannot develop scannable forms. However, this will not apply to those companies who developed 1996 scannable forms.

Tax practitioners who want to computer prepare scannable Forms 540 and 540A for their clients will need to use:

- The software you develop that produces FTB approved scannable Forms 540 and 540A;
- The personal computer hardware that your software requires to produce FTB approved scannable Forms 540 and 540A (i.e., font cartridges, etc.);
- The instructions you provide for correctly producing scannable Forms 540 and 540A;
- The “Asterisks in the Entity” guidelines and “Entry Instructions” for entity data; and
- The FTB approved overlay, if needed.

Guidelines for Preparing Scannable Tax Forms

Because of legislative changes, equipment innovations and procedural improvements, these guidelines are subject to change.

Instructional Text

Same as substitute forms. See page 18.

Monetary Amounts

Monetary lines in the conventional parts of scannable Forms 540 and 540A must include the vertical rule (“penny line”) that separates dollars from cents. However, if your tax software program prints a decimal point following the dollar amount, you may remove the vertical rule. Please indicate this in your forms review package cover letter. **Note:** Monetary amounts in the scanband of scannable Forms 540 and 540A **must** be dollars only with no decimal points or other punctuation.

Tax software may be programmed to omit printing the cents of monetary amounts in the conventional form parts of scannable Forms 540 and 540A. However, all monetary amounts entered must follow a consistent format.

Note: Companies are strongly urged to round figures to whole dollar amounts. This follows the official return instructions.

Tax software developers who use another company's forms that include the vertical rule, **must** hard code “00” to print on each voluntary contribution line.

SCANNABLE FORM 540 AND FORM 540A

Use one of the following ten character formats to print monetary amounts in the conventional form parts of scannable Forms 540 and 540A: (a) 0,000,000. (b) 000,000.00

Unless a specific line instruction requires a zero (-0-), leave the conventional line blank when there is no entry. **Do not** print the word “NONE.”

Negative Amounts

When printing negative monetary amounts in the scanbands you must use the following format. Do not use brackets in the scanband.

(a) -549

Layout

See the specifications for each scannable form.

Company Identification Code

Same as substitute forms. See page 19.

Keying Symbols

The conventional part of scannable Forms 540 and 540A must include the keying symbols (This includes the dollar symbol (\$)). See page 20.

Source Code

Source code “4” must print on scannable Forms 540 and 540A. An example of the placement of the source code is shown on page 20.

Margins

For scannable Forms 540 and 540A, the margins are the same as substitute forms. See page 20.

Type Style

FTB designs California tax forms using Helvetica type style in increments of 6 lines per inch and 10 strike zones per inch. The conventional parts of scannable Forms 540 and 540A must closely resemble the style and size of type used on the official forms.

Shading Requirements

There is no shading on scannable forms.

Paper

Print scannable tax forms on good quality, white standard stock machine paper. Use paper that is 8 1/2” x 11”.

Ink

Use black ink.

Internal Control Numbers

Same as substitute forms. See page 21.

Printing

All printing must be:

- Laser, daisy wheel or letter quality dot matrix.
- Courier, standard OCR-A font or standard print font. **Do not** use bold font.
- 10 pitch (pica spacing).
- Original printed output (no corrections).
- On one side of the paper (no duplexing).
- 6 lines per inch.
- Alpha characters must be in upper case.

Note: If an overlay is required to produce FTB approved scannable form(s), it must include the required graphics (i.e. patch and keying symbols) and grid marks for correct placement of graphics.

How to Program the Scannable Patch

Use the Kodak, Patch Code II specifications (distributed by the FTB in 1993) to program your patch for scannable Forms 540 and 540A. If your company did not develop scannable forms in 1993, please request a copy of the Kodak, Patch Code II specifications by calling (916) 845-3553.

The scannable patch is a pattern of parallel alternating black bars and spaces. To program correctly, follow these specifications:

- Horizontal and vertical placement of the patch is critical for proper operation.
 - Patch **must** appear with the bars parallel to the leading center of the scannable form;
 - The beginning of the patch **must** start on print line 4 at position 33 for a length of 20 positions (2 inches);
 - There **must** be at least 0.20 inches (5mm) of space between the patch and any other printed information; and
 - The patch **may not** exceed print line 8.

How to Print the Scannable Patch

- 1) Print the patch **only** on Side 1 of the scannable form.
- 2) The ink used **must** be carbon-based black or equivalent.

Bar Code

The bar code is **not** required on scannable Forms 540 and 540A.

Guidelines for Printing Taxpayer Entity Information for Scannable Forms 540 and 540A

Use the following guidelines to print entity data (taxpayer's name and address area) on scannable Forms 540 and 540A. Failure to do so will result in the disapproval of your scannable tax forms.

Asterisks in the Entity

Two asterisks (**) on print line 10 of the entity indicate to FTB that taxpayer entity information is **unchanged** from the previous year.

Users of your product may **only** print two asterisks (**) on print line 10 of the entity area if the taxpayer (and taxpayer's spouse, if any):

- Filed a California Form 540, 540A, 540EZ, or 540NR return last year;
- Did not change the address from the one shown on last year's return;
- Has the same SSN as last year;
- Has the same name (first, middle and last) as last year;
- Has the same filing status as last year; and
- Is not deceased.

If the above conditions are not met or the taxpayer entity information has changed, do **not** print two asterisks (**) on print line 10 of the entity area. Failure to follow these instructions may prevent updated information from being recorded on the taxpayer's file.

Taxpayer Entity Information Examples:

111-11-1111 MISS ** 97
LISA A MISSION

1234 STATE ST
CROWN CA 12345-6789

111-11-1111 TAXP ** 222-22-2222 97
JOHN Q TAXPAYER
JANE S TAXPAYER

12345 SHORT ST
ANYPLACE CA 12345

111-11-1111 CART 97
SUSAN M CARTOON

HOMESTYLE NURSING HOME
1234 BEAUTIFUL DR
WELCOME CA 54321

111-11-1111 WILL ** 222-22-2222 97
ROBERT J WILLIAMS
BARBARA S WILLIAMS

9876 LONGNAME WY APT 141
WALLACE CA 12345-6789

111-11-1111 SMIT 97
ROBERT J SMITH (DECD 12-10-97)

3452 BUSY DR ROBERT ROBERTS
BORDERTOWN CA 12345 NO 5

Note: If there is no spouse name, leave that line blank. If there is no additional address or executor/guardian name, leave that line blank.

To reduce the instances where your user hears from a client about processing problems, include the following in your user's manual:

- Asterisks in the Entity on page 28.
- Entry Instructions below.
- Mailing and Assembly Instructions for Scannable Forms 540 and 540A on page 30.

Entry Instructions

- Alpha characters must be in upper case.
- Use no punctuation or symbols. **Note:** If a fraction is part of the street address, enter a forward facing slash (/). **Note:** This is the **only** symbol that may be used in the taxpayer name and address area.
- Monetary amounts. See “Monetary Amounts” on page 25 for specific information on how to enter.
- **Do not** space, use symbols or punctuation in the name control field.
- **Do not** include titles or ranks such as DR MD ENSIGN SGT etc.
- Use Roman numerals (alpha characters) for numeric suffixes.
- Never space in name field except for JR SR II etc.
- The SSN must be eleven digits (includes “-”). Enter “000-00-0000” in the SSN field if an individual has applied for or does not have an SSN.
- Use standard abbreviations for the suffix of the street name. See Standard Abbreviations on page 23.
- **Do not** enter apartment and apartment number/letter in the street address field. Enter in the designated “apartment” and “apartment number” fields. These fields are on the same line as the street address field. **Note:** Enter APT, BLDG, SP, STE, RM, FL, NO and UN in the “apartment” field.
- Additional address field is a supplemental field used for **only**: “in care of” name; additional address information.
- Military “APO” or “FPO” addresses:
 - Enter “APO” or “FPO” in the first three positions of the city field;
 - **Do not** enter the name of the city for “APO” and “FPO” addresses; and
 - Enter two-digit state code in the state field:

<u>City Field</u>	<u>State Code</u>	<u>Zip Code Range</u>
APO	AA	34000-34099
APO	AE	09000-09899
FPO	AP	96200-96599

- In the state field, use the standard two-digit abbreviation for the state or the United States possession. See State or U.S. Possessions Abbreviations on page 23.
- If foreign address, enter country beginning in the state field.
- Zip code can be ten digits (includes “-”).
- Apply these guidelines, then truncate if the information exceeds the field length.

Note: To help eliminate those instances when the City, State and ZIP code are entered into the City Field, add an error check at the end of the City Field for numeric characters.

Mailing and Assembly Instructions for Scannable Forms 540 and 540A

- Submit original scannable form (**no** labels, duplexing (double-sided copies), photocopies or corrections).
Note: If an overlay is used, be sure to follow the overlay instructions. This will help ensure correct placement of the scannable graphic patch, taxpayer's name and address information and taxpayer's tax data.
- Sign the scannable form in the space provided. If a joint return, spouse's signature is required.
- **Staple** "state" copy of Form(s) W-2, W-2G and 1099-R to the front of Side 1 in the area below the words "Step 4, Taxable Income."
- Make check or money order payable to "Franchise Tax Board" for the full amount. Write the taxpayer's social security number and "1997 Form 540" or "1997 Form 540A" on it. Complete Form 540-V.
- **Staple** check or money order and Form 540-V to the front of Side 1 on scannable Forms 540 and 540A in the area below the words "Step 3, Exemptions."
- **Do not** attach the federal return to scannable Form 540A.
- When required, staple federal forms and California supporting forms/schedules to the back of scannable Form 540.
- **Staple** special handling forms (FTB 3595, FTB 5805, FTB 5805F, etc.) to the front of Side 1 in the upper-left hand corner.
- **Staple** entire return together in the upper-left hand corner.

Mailing Addresses for Scannable Forms 540 and 540A

Mail REFUND, or NO AMOUNT DUE returns to:	Mail BALANCE DUE returns to:
IMAGE PROCESSING FRANCHISE TAX BOARD PO BOX 942840 SACRAMENTO CA 94240- 0009	FRANCHISE TAX BOARD PO BOX 942867 SACRAMENTO CA 94267-0001

GUIDELINES FOR SCANNABLE FORM 540

How Must the Form 540 Scannable Band Appear?

The scannable band is a fixed format located on Side 1. The two-digit line numbers in the scanband correspond to the calculation line numbers in the conventional area of Form 540:

- Entries will be in four columns;
- Courier, standard OCR-A font or standard print font. **Do not** use bold font;
- 10 pitch (pica spacing);
- The first column will start at line 19 at position 8, for a width of 14 printed positions;
- There **must** be 4 spaces between columnar format;
- The width of the 4 columns **must** be 14 printed positions;
- Right justify all dollar amounts and numeric entries. Omit leading zeros;
- Print “0” in fields that contain no data. **Do not** print NONE;
- All monetary entries **must** be positive and in dollars only. **NO** decimal points, commas, or other symbols (including the dollar symbol (\$)) or punctuation. **EXCEPTION:** For negative amounts on line 17, use a minus sign (“-”) to precede the first digit. **Do not** use brackets;
- “0” will indicate “No” and “1” will indicate “Yes” for field numbers “06”, “3800”, “3803”, “CATMT”, SCHG1”, “5870A”, “5805 5805F”, and “62”;
- Tax preparer ID number (FEIN) (print line 27). Right justify, no dashes. **Mandatory**, professional products only.
- For field “APE”, “0” will indicate a calendar year end and “MMYY” will indicate a fiscal year end (month and year);
- Use field numbers 28, 29, and 30 for the credits shown on page 32. The credit amount **must** have a three-digit numeric code preceding the dollar amount. The acronym name and code number should print on the applicable lines in the conventional part of Form 540. For example, “17320” designates a Dependent Parent credit of \$20.

When to Check the “CA TMT limit” Box on Scannable Form 540, Line 21

The purpose of the check boxes is solely to tell FTB processing why a limited amount has been entered on line 21. The following confirms when to check the CA TMT box.

When a taxpayer uses Worksheet I or Worksheet II in the Resident Booklet, it instructs them to enter the smaller of line 6 or line 7 and states “This is your allowable exemption credit. Enter this amount on Form 540, line 21 and check the box labeled “California TMT limit.” Although there will be times when the amount will not be limited and the taxpayer will check the “California TMT limit” box, this will not impact the processing of the return. However, because it is critical to maintain logical programming for computer generated returns, FTB is instructing software developers to **only** check the “CA TMT limit” box (and print a “1” in the scanband after CATMT) if the exemption credit amount is truly limited by California tentative minimum tax. Otherwise, do not check the box and print “0” in the scanband after CATMT.

GUIDELINES FOR SCANNABLE FORM 540

Credit Names, Acronyms and Code Number List

Include this list in your user's manual.

*PIT = Personal Income Tax

*B&C = Bank and Corporation Tax

<u>Credit Name</u>	<u>Acronym</u>	<u>Code</u>	<u>PIT*</u>	<u>B&C*</u>
Child Adoption	CHILD ADOPT	197	X	
Community Development Financial Institution Deposits	CDFI DEPOSIT	209	X	X
Dependent Parent	DEP PARENT	173	X	
Disabled Access	DSABL ACCESS	205	X	X
Donated Agricultural Products Transportation	DONATE AGTRN	204	X	X
Employer Child Care Contribution	CHLDCARE CTB	190	X	X
Employer Child Care Program	CHLDCARE PRG	189	X	X
Enhanced Oil Recovery	ENHNC OILREC	203	X	X
Enterprise Zone Employee	E/Z EMPL	169	X	
Enterprise Zone Hiring & Sales or Use Tax	E/Z HIRE/USE	176	X	X
Farmworker Housing				
New Construction/Rehabilitation	F/W HS CONST	207	X	X
New Construction/Rehabilitation Loans	F/W HS LOAN	208		X
Joint Custody Head of Household	JT CSTDY HOH	170	X	
Los Angeles Revitalization Zone Hiring & Sales or Use Tax Credit	LARZ HRE/USE	159	X	X
Local Agency Military Base Recovery Area (LAMBRA) Hiring & Sales or Use Tax	LAMBRA HR/US	198	X	X
Low-Income Housing	LOW-INC HOUS	172	X	X
Manufacturers' Investment	MFG INVSTMNT	199	X	X
Other State Tax	OTHER STATE	187	X	
Prior Year Alternative Minimum Tax	PRIOR YR AMT	188	X	X
Prison Inmate Labor	INMATE LABOR	162	X	X
Program Area Hiring & Sales or Use Tax	P/A HIRE/USE	177	X	X
Research	RESEARCH	183	X	X
Rice Straw	RICE STRAW	206	X	X
Salmon & Steelhead Trout Habitat Restoration	SALMON/TROUT	200	X	X
Senior Head of Household	SR HOH	163	X	
<u>Repealed Credits With Carryover Provisions</u>	<u>Acronym</u>	<u>Code</u>	<u>PIT*</u>	<u>B&C*</u>
Agricultural Products	AGRI PRODUCT	175	X	X
Commercial Solar Electric System	COMSLR EL CO	196	X	X
Commercial Solar Energy Credit Carryover	COM SLR NRG	181	X	X
Contribution of Computer Software*	CTB COMPSOFT	202		X
Employee Ridesharing:				
Employee Vanpool Program	R/S EMPL VN	194	X	
Employer Ridesharing:				
Large Employer Program	R/S LG EMPLR	191	X	X
Small Employer Program	R/S SM EMPLR	192	X	X
Employer Subsidized Public Transit Passes	R/S TRANSIT	193	X	X
Energy Conservation	NRG CSRV CO	182	X	X
Low-Emission Vehicles	LOW-EMS VHCL	160	X	X
Orphan Drug	ORPHN DRG CO	185	X	X
Political Contributions	POLTCL CTB	184	X	
Recycling Equipment	RCYCL EQUIP	174	X	X
Residential Rental & Farm Sales	RES RNT/FARM	186	X	
Ridesharing	R/S CO	171	X	X
Solar Energy	SLR NRG CO	180	X	X
Solar Pump	SLR PUMP CO	179	X	X
Technological Property Contribution*	TECHPROP CTB	201		X
Water Conservation	WATRCRV CO	178	X	
Young Infant	YNG INFNT CO	161	X	

Submitting Scannable Form 540 and Scannable Form 540 Overlay for Approval Checklist

Scannable Form 540

Entity Data Placement

To get entity data placement approval, submit returns that:

- ☐ Follow "Entry Instructions" on page 29
- ☐ Print the asterisks (see "Asterisks in the Entity" on page 28)
- ☐ Do **not** print the asterisks (see "Asterisks in the Entity" on page 28)
- ☐ Maximize all entity fields. If your software does not support the maximum entity field size, indicate the supported field size in your cover letter.
- ☐ Have all fields in the correct location (see "Scannable Form 540 Specifications" beginning on page 35)
- ☐ Check the "Yes" box for Federal Return Attachment Required
- ☐ Check the "No" box for Federal Return Attachment Required

Scanband Data Placement

To get scanband data placement approval, submit returns that:

- ☐ Follow "How Must the Form 540 Scannable Band Appear?" on page 31
- ☐ Have all fields in the correct location (see "Scannable Form 540 Specifications" beginning on page 35)
- ☐ Have matching amounts in the scanband and conventional form lines.
- ☐ Have a fiscal year filer*
- ☐ Have a calendar year filer
- ☐ Have a positive amount on line 17
- ☐ Have a negative amount on line 17 (DO NOT USE BRACKETS)*
- ☐ Print example of CATMT box checked (see page 31)
- ☐ Print example of CATMT box not checked (see page 31)
- ☐ Have entries (other than -0-) on lines 28, 29 and 30 (include 3 digit credit code)*
- ☐ Print "1" in one of the check off boxes (i.e., 3800, 3803, CATMT, SCHG1, 5870A, 5805 5805F, or 62)*
- ☐ Print example of tax preparer ID (FEIN) - **Mandatory**, professional products only.

Line Geometry

- ☐ Bold line at vertical position (print position) 6 through 80 and horizontal position (print line) 17
- ☐ Bold line at vertical position (print position) 6 through 80 and horizontal position (print line) 33

Patch

- ☐ Patch at vertical position (print position) 33 through 52 and horizontal position (print line) 4 through 8
- ☐ Follows "How to Program the Scannable Patch and How to Print the Scannable Patch" beginning on page 27

Conventional Form

- ☐ Vertical rule (penny line) shown on form. If product does not support the vertical rule, then the cover letter **must** indicate that the product will always print a decimal point.
- ☐ Follows "Guidelines for Preparing Scannable Tax Forms" beginning on page 25.

Keying Symbols, Source Code, and ID Code

- ☐ Follows "Guidelines for Preparing Scannable Tax Forms" beginning on page 25.

Scannable Form 540 Overlay

To get overlay approval, submit materials needed to create a Scannable Form 540 tax return (i.e., overlay, overlay instructions, and tax return data)

* If your software does not support this item, indicate so in your cover letter.

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Scannable Form 540 Specifications

Definitions:	ALPHA	=	A-Z (MUST BE ALL CAPS)
	NUMERIC	=	0-9
	ALPHANUMERIC	=	A-Z, 0-9
	LEFT JUSTIFY	=	LJ

Print Line Number	Identification	Begin Print Position	Maximum Field Length	End Print Position	Field Description
1 - 3	Blank	-	-	-	-
4	Title of Form and Tax Year Area	6	25	30	conventional form size/style
4	Patch Area	33	20	52	use Kodak patch code specifications
5	Title of Form and Tax Year Area	6	25	30	conventional form size/style
5	Patch Area	33	20	52	use Kodak patch code specifications
5	Form Identifier (540) Area	71	5	75	conventional form size/style
6	Title of Form and Tax Year Area	6	25	30	conventional form size/style
6	Bold Line	6	25	30	-
6	Patch Area	33	20	52	use Kodak patch code specifications
6	Form Identifier (540) Area	71	5	75	conventional form size/style
6	Bold Line	55	26	80	-
7	Account Period Ending	6	3	8	"APE"
7	Fiscal Year Beginning	10	8	17	MM-DD-YY or leave blank
7	Fiscal Year Ending	20	8	27	MM-DD-YY or leave blank
7	Patch Area	33	20	52	use Kodak patch code specifications
7	Federal Return Attachment Area (optional field, mandatory language. See page 43 for language.)	55	25	79	conventional form size/style
8	Patch Area	33	20	52	use Kodak patch code specifications
8	Federal Return Attachment Area (optional field, mandatory language. See page 43 for language.)	55	25	79	conventional form size/style
9	Do Not Attach Label Area	6	6	11	conventional form size/style
10	Do Not Attach Label Area	6	6	11	conventional form size/style
10	Taxpayer's SSN (mandatory)	16	11	26	Numeric, "-"
10	Name Control (First Four Letters of Last Name) (mandatory)	29	4	32	Alpha, No Embedded Spaces No symbols or punctuation
10	If taxpayer name and address information is unchanged from previous year, enter "***", otherwise leave blank (mandatory)	34	2	35	"***"
10	If Joint Return, Spouse's SSN (mandatory)	38	11	48	Numeric, "-"
10	Form Year Indicator (mandatory)	54	2	55	"97"
10	PACARRP Box Area	69	12	80	conventional form size/style
11	Do Not Attach Label Area	6	6	11	conventional form size/style
11	Taxpayer's First name (mandatory)	16	11	26	Alpha, No Embedded Spaces
11	Taxpayer's Middle Initial	29	1	29	Alpha
11	Taxpayer's Last Name (mandatory)	32	17	48	Alpha

GUIDELINES FOR SCANNABLE FORM 540

Scannable Form 540 Specifications

Definitions:	ALPHA	=	A-Z (MUST BE ALL CAPS)
	NUMERIC	=	0-9
	ALPHANUMERIC	=	A-Z, 0-9
	LEFT JUSTIFY	=	LJ

Print Line Number	Identification	Begin Print Position	Maximum Field Length	End Print Position	Field Description
11	If Deceased, Enter "DECD" and Date of Death (mandatory)	51	15	65	Alphanumeric, "(DECD mm-dd-yy)"
11	PACARRP Box Area	69	12	80	conventional form size/style
12	If Joint Return, Spouse's First Name (mandatory)	16	11	26	Alpha, No Embedded Spaces
12	If Joint Return, Spouse's Middle Initial	29	1	29	Alpha
12	If Joint Return, Spouse's Last Name (mandatory)	32	17	48	Alpha
12	If Joint Return, Spouse is Deceased, Enter "DECD" and Date of Death (mandatory)	51	15	65	Alphanumeric, "(DECD mm-dd-yy)"
12	PACARRP Box Area	69	12	80	conventional form size/style
13	Step 1 Name and Address Area	6	6	11	conventional form size/style
13	Additional Address	16	30	45	Alphanumeric
13	Executor/Guardian	48	17	64	Alphanumeric
13	PACARRP Box Area	69	12	80	conventional form size/style
14	Step 1 Name and Address Area	6	6	11	conventional form size/style
14	Street Address (mandatory)	16	30	45	Alphanumeric
14	APT, STE, SP, RM, FL, BLDG, UN and NO	48	5	52	Alpha, LJ
14	Number or Letter (No symbols)	54	5	58	Alphanumeric, LJ
14	PACARRP Box Area	69	12	80	conventional form size/style
15	Step 1 Name and Address Area	6	6	11	conventional form size/style
15	City (mandatory)	16	17	32	Alphanumeric
15	State - see page 23 for abbreviations (mandatory)	35	2	36	Alpha
15	If Foreign Address	35	19	53	Alphanumeric
15	Zip Code	39	10	48	Numeric, "-", LJ
15	PACARRP Box Area	69	12	80	conventional form size/style
16	Step 1 Name and Address Area	6	6	11	conventional form size/style
16	Bold Line	6	75	80	-
16	PACARRP Box Area	69	12	80	conventional form size/style
17 - 33	540 Scanband - see specifications beginning on page 37.	-	-	-	-
34 - 63	Conventional Form 540	-	-	-	-

Note: If there is no spouse name, leave the applicable fields in print line number 12 blank. If there is no additional address or executor/guardian name, leave the applicable fields in print line number 13 blank.

Form 540 Scannable Band Specifications (Side 1)

Definitions:	NUMERIC	=	0-9
	"1"	=	Indicates a box that has been checked. Exception: field No. 01 (filing status) will indicate the number of the box that has been checked.
	"0"	=	Will indicate no response.
	RIGHT JUSTIFY	=	RJ

Print Line Number	Identification	Begin Print Position	Mandatory Print Field	Begin Field Position	Maximum Field Length	Field Description
17	"FOR COMPUTERIZED USE ONLY"	-	-	-	21	Alpha, Center Justify
17	Bold line	6	-	-	75	-
18	Blank	-	-	-	-	-
19	Filing Status	8	"01"	21	1	"1", "2", "3", "4", or "5"
19	Credit	26	"30"	31	9	Numeric
19	CA Fund for Senior Citizens	44	"49"	49	9	Numeric
19	Forms Indicator	62	"62"	75	1	"0", "1"
20	Claimed as a Dependent on Another Return	8	"06"	21	1	"0", "1"
20	Claiming more than three credits	26	"31"	31	9	Numeric
20	Rare/Endangered Species Program	44	"50"	49	9	Numeric
20	APE	62	"APE"	72	4	"0", "MMYY"
21	Senior Exemption	8	"09"	21	1	"1", "2"
21	Alternative Minimum Tax	26	"35"	31	9	Numeric
21	Children's Trust Fund/Prevention of Child Abuse	44	"51"	49	9	Numeric
21	3800 Attached Box	62	"3800"	75	1	"0", "1"
22	Number of Dependents	8	"10"	20	2	Numeric
22	Other Taxes and Credit Recapture	26	"36"	31	9	Numeric
22	CA Breast Cancer Research Fund	44	"52"	49	9	Numeric
22	3803 Attached Box	62	"3803"	75	1	"0", "1"
23	State Wages Form(s) W-2	8	"12"	13	9	Numeric
23	Total Tax	26	"37"	31	9	Numeric
23	CA Firefighters' Memorial Fund	44	"53"	49	9	Numeric
23	CATMT Box	62	"CATMT"	75	1	"0", "1"
24	CA Adjustments - Subtractions	8	"14"	13	9	Numeric
24	CA Income Tax Withheld	26	"38"	31	9	Numeric
24	CA Public School Library Protection Fund	44	"54"	49	9	Numeric
24	Schedule G-1 Attached Box	62	"SCHG1"	75	1	"0", "1"
25	CA Adjustments - Additions	8	"16"	13	9	Numeric
25	1997 CA Estimated Tax and Amount Applied from 1996 Return. Include Amounts from FTB 3519 or Schedule K-1(541).	26	"39"	31	9	Numeric
25	D.A.R.E. CA (Drug Abuse Resistance Education) Fund	44	"55"	49	9	Numeric
25	5870A Attached Box	62	"5870A"	75	1	"0", "1"
26	CA Adjusted Gross Income	8	"17"	13	9	Numeric

GUIDELINES FOR SCANNABLE FORM 540

Form 540 Scannable Band Specifications (Side 1)

Definitions:	NUMERIC	=	0-9			
	"1"	=	Indicates a box that has been checked. Exception: field No. 01 (filing status) will indicate the number of the box that has been checked.			
	"0"	=	Will indicate no response.			
	RIGHT JUSTIFY	=	RJ			
Print Line Number	Identification	Begin Print Position	Mandatory Print Field	Begin Field Position	Maximum Field Length	Field Description
26	Excess CA SDI or VPDI Withheld	26	"41"	31	9	Numeric
26	CA Military Museum Fund	44	"56"	49	9	Numeric
26	5805 5805F Attached Box	62	"5805 5805F"	75	1	"0", "1"
27	Standard/Itemized Deductions	8	"18"	13	9	Numeric
27	Overpaid Tax	26	"43"	31	9	Numeric
27	Total Contributions	44	"57"	49	9	Numeric
27	Tax Preparer ID (FEIN) (Mandatory, professional products only)	-	-	67	9	Numeric, no dashes, RJ,
28	Tax	8	"20"	13	9	Numeric
28	Overpaid Tax Applied to 1998 Estimated Tax	26	"44"	31	9	Numeric
28	Refund or No Amount Due	44	"58"	49	9	Numeric
29	Exemption Credits	8	"21"	13	9	Numeric
29	Overpaid Tax Available This Year	26	"45"	31	9	Numeric
29	Amount You Owe	44	"59"	49	9	Numeric
30	Tax from Sch. G-1 and from FTB 5870A	8	"23"	13	9	Numeric
30	Tax Due	26	"46"	31	9	Numeric
30	Underpayment of Estimated Tax	44	"61"	49	9	Numeric
31	Credit	8	"28"	13	9	Numeric
31	CA Seniors Special Fund	26	"47"	37	3	Numeric
32	Credit	8	"29"	13	9	Numeric
32	Alzheimer's Disease/Related Disorders Fund	26	"48"	31	9	Numeric
33	Bold line	6	-	-	75	-

Note: Record Layout is Reduced

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GUIDELINES FOR SCANNABLE FORM 540

Scannable Form 540 Record Layout (without asterisks)

Note: Record Layout is Reduced

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66
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Scannable Form 540 Example Side 1

Note: Example is Reduced

California Resident
Income Tax Return 1997

APR 02-01-96 01-01-97

540

FEDERAL RETURN ATTACHMENT REQUIRED:
YES NODO NOT
ATTACH
LABEL999-99-0001 JONE ** 999-99-0002 97
JOHN J JONES
MARY M SMITH

Do not write in these spaces
P
AC
A
R
RP

Step 1

Name
and
Address111 BUTTERFIELD WAY BLDG 50
SACRAMENTO CA 95827-1111

FOR COMPUTERIZED USE ONLY

01	2	30	17330	49	0	62	1
06	0	31	0	50	0	AGE	0197
09	0	35	0	51	0	3800	0
10	2	36	0	52	0	3803	0
13	40000	37	1621	53	0	CATME	0
14	109200	38	5000	54	0	SCHGL	0
16	4000	39	0	55	0	SBTDA	0
17	79946	41	0	56	25	SBOS	5875F 0
18	25000	43	3319	57	25		997654321
20	2028	44	0	58	3294		
21	272	45	5579	59	0		
23	0	46	0	61	0		
25	16330	47	0				
26	17025	48	0				

Step 2

Filing Status

- 1 ☐ Single
 2 ☒ Married filing joint return (even if only one spouse has income)
 3 ☐ Married filing separate return. Enter spouse's social security number above and full name here _____
 4 ☐ Head of household (see qualifying person. If the qualifying person is a child not an adult, enter adult's name last.)
 5 ☐ Qualifying widow(er) with dependent child. Enter year spouse died (1) _____

Check only one

Step 3

Exemptions

Do not enter
date amounts
in the boxes.Enter check or
money order and
Form 540's fees.

- 6 1 someone can claim you (or your spouse, if married) as a dependent on their tax return. Check the box here. ☐ 6
 7 Person(s) you checked box 1, 3 or 4 above, enter 1. If you checked box 2 or 5, enter 2. If you
 checked the box on line 6, see instructions. ☐ 7
 8 Blind: If you (or if married, your spouse) are visually impaired, enter 1. If both are visually impaired, enter 2. ☐ 8
 9 Senior: If you (or if married, your spouse) are 65 or older, enter 1. If both are 65 or older, enter 2. ☐ 9
 10 Dependents: Enter name and relationship. Do not include yourself, your spouse or the person listed on line 4.
 JULIE JONES - DAUGHTER
 JERRY JONES - SON Enter the total number of dependents ☐ 10

11 Total number of exemptions. Add line 7 through line 10. ☐ 11

Step 4

Taxable
IncomeAttach copy of your
Form(s) 1041, 1042,
and 1088-R here.

- 12 State wages from your Form(s) W-2, box 17. ☐ 12 45000
 13 Federal AGI from Form 1040, line 32; Form 1040A, line 16; Form 1040EZ, line 4; or
 TeleFile Tax Return, line H ☐ 13 185146
 14 California adjustments - subtractions. Enter the amount from Schedule CA (540), line 32, column B. ☐ 14 103200
 15 Subtract line 14 from line 13. If less than zero, enter the result in parentheses. See instructions. ☐ 15 75346
 16 California adjustments - additions. Enter the amount from Schedule CA (540), line 32, column C. ☐ 16 6000
 17 California adjusted gross income. Combine line 15 and line 16. ☐ 17 75346
 18 Enter your CA standard deduction OR your CA itemized deductions. ☐ 18 25000
 19 Subtract line 18 from line 17. This is your taxable income. If less than zero, enter -0-. ☐ 19 54346

Step 5

Tax

- 20 Tax: Check if line ☐ Tax Table ☒ Tax Rate Schedule ☐ FTB 3800 or ☐ FTB 3803 ☐ 20 2028
 21 Exemption credits. Check one: ☒ Floorplan ☐ Federal AGI limit or ☐ CA TMT limit. ☐ 21 272
 22 Subtract line 21 from line 20. If less than zero, enter -0-. ☐ 22 1756
 23 Tax: Check if line ☐ Schedule G-1 and ☐ Form FTB 5270A. ☐ 23
 24 Add line 22 and line 23. ☐ 24 1756

For Priority Mail Notice, see instructions.

Continue to Side 2

Form 540 01-1997 Side 1

Scannable Form 540 Example Side 2

Note: Example is Reduced

Step 6	25 Amount from Side 1, page 24	25	1,774
Credits	26 Enter credit name <u>OR ACCT</u> type no. <u>1000</u> and amount	26	70
	27 Enter credit name <u>OR ACCT</u> type no. <u>1000</u> and amount	27	25
	28 Enter credit name <u>OR ACCT</u> type no. <u>1000</u> and amount	28	30
	29 To claim more than three credits, see instructions	29	1
	30 Add line 26 through line 31. These are your total credits	30	75
31 Subtract line 30 from line 25. If less than zero, enter 0	31	1,700	
Step 7	32 Alternative minimum tax. Attach Schedule P (540)	32	1
Other Taxes	33 Other taxes and credit recapture. See instructions	33	1
	34 Add line 32 through line 33. This is your total tax	34	1,701
Step 8	35 CA income tax withheld. Enter 100% from your 1997 Form(s) 1042, 1042-S, 1099-MISC and 1099-R. Also attach Form(s) to Side 1	35	5,000
Payments	36 1997 California estimated tax and amount applied from your 1996 return. Include the amount from Form FTE 2515 or Schedule K-1 (541)	36	
	37 Did either you or your spouse receive more than \$51,787 in wages in 1997? Yes, See instructions. No, Go to line 42	37	
	38 Add line 35 through line 41. These are your total payments	38	5,000
Step 9	39 Overpaid tax. If line 38 is larger than line 34, subtract line 34 from line 38	39	3,299
Overpaid Tax or Tax Due	40 Amount of line 39 you want applied to your 1996 estimated tax	40	
	41 Overpaid tax available this year. Subtract line 40 from line 39	41	3,299
Step 10	42 Tax due. If line 41 is less than line 34, subtract line 41 from line 34	42	
Contributions	43 Contribution to California Seniors Special Fund. See instructions. You may make a contribution of \$1 or more to:	43	
	44 Alzheimer's Disease-Related Disorders Fund	44	100
	45 California Fund for Senior Citizens	45	100
	46 Rare and Endangered Species Preservation Program	46	100
	47 State Children's Trust Fund for the Prevention of Child Abuse	47	100
	48 California Breast Cancer Research Fund	48	100
	49 California Firefighters' Memorial Fund	49	100
	50 California Public School Library Protection Fund	50	100
	51 C.A.R.E. California (Drug Abuse Resistance Education) Fund	51	100
	52 California Military Museum Fund	52	25,100
	53 Add line 43 through line 52. These are your total contributions	53	25,100
	Step 11	54 REFLUND OR NO AMOUNT DUE. Subtract line 53 from line 42. Mail your return to: CALIFORNIA PROCESSING, FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 95840-8000	54
Refund or Amount You Owe	55 AMOUNT YOU OWE. Add line 42 and line 53. Make a check/money order payable to: "Franchise Tax Board" for the full amount. Write your social security number and "1997 Form 540" on it. Complete Form 540-V. Attach both to the front of your Form 540 and mail to: FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 95840-8000	55	\$
	56 Interest, late return penalties and late payment penalties	56	
Step 12	57 Underpayment of estimated tax. If form FTE 5802 or 5805F is attached, check here	57	
Interest and Penalties	58 If you do not need California income tax forms mailed to you, check here	58	<input checked="" type="checkbox"/>
	Sign Here	<p>IMPORTANT: See "Sign Your Return" in the Form 540 instructions to find out if you should attach a copy of your complete federal return. Under penalty of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.</p> <p>Tax preparer's signature: _____ Date: _____ Decline phone number: _____</p> <p>Preparer's signature: _____</p> <p>Print preparer's name (or yours if self-prepared): _____</p>	

GUIDELINES FOR SCANNABLE FORM 540A

How Must the Form 540A Scannable Band Appear?

The scannable band is a fixed format located on the bottom of Side 1. The two-digit line numbers in the “scanband” correspond to the calculation line numbers in the conventional area of Form 540A (Exception: line 12a will print in the scanband as line 12.):

- Entries will be in five columns;
- Courier, standard OCR-A font or standard print font. **Do not** use bold font;
- 10 pitch (pica spacing);
- The first column will start at line 54 at position 8, for a width of 6 printed positions;
- There **must** be 4 spaces between columnar format;
- The width of the 5 columns **must** be 12 printed positions (**Exception:** First column is 6 printed positions.);
- Right justify all dollar amounts and numeric entries. Omit leading zeros;
- Print “0” in fields that contain no data. **Do not** print NONE;
- All monetary entries **must** be positive and in dollars only. **NO** decimal points, commas, or other symbols (including the dollar symbol (\$)) or punctuation. **EXCEPTION:** For negative amounts on line 14, use a minus sign (“-”) to precede the first digit. **Do not** use brackets;
- “0” will indicate “No” and “1” will indicate “Yes” for field numbers “06”, “5805”, and “38”
- Tax preparer ID number (FEIN) (print line 57). Right justify, no dashes. **Mandatory**, professional products only.

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Submitting Scannable Form 540A and Scannable Form 540A Overlay for Approval Checklist**Scannable Form 540A****Entity Data Placement**

To get entity data placement approval, submit returns that:

- ☐ Follow “Entry Instructions” on page 29
- ☐ Print the asterisks (see “Asterisks in the Entity” on page 28)
- ☐ Do **not** print the asterisks (see “Asterisks in the Entity” on page 28)
- ☐ Maximize all entity fields. If your software does not support the maximum entity field size, indicate the supported field size in your cover letter.
- ☐ Have all fields in the correct location (see “Scannable Form 540A Specifications” beginning on page 51)

Scanband Data Placement

To get scanband data placement approval, submit returns that:

- ☐ Follow “How Must the Form 540A Scannable Band Appear?” guidelines on page 47
- ☐ Have all fields in the correct location (see “Scannable Form 540A Specifications” beginning on page 51)
- ☐ Have matching amounts in the scanband and conventional form lines.
- ☐ Have a positive amount on line 14
- ☐ Have a negative amount on line 14 (DO NOT USE BRACKETS)*
- ☐ Print example of tax preparer ID (FEIN) (print line 57). Right justify, no dashes. **Mandatory**, professional products only.
- ☐ Print “1” in **each** of the check off boxes (i.e., 5805 and 38)

Line Geometry

- ☐ Bold line at vertical position (print position) 6 through 80 and horizontal position (print line) 52
- ☐ Bold line at vertical position (print position) 6 through 80 and horizontal position (print line) 62

Patch

- ☐ Patch at vertical position (print position) 33 through 52 and horizontal position (print line) 4 through 8
- ☐ Follows “How to Program the Scannable Patch and How to Print the Scannable Patch” beginning on page 27

Conventional Form

- ☐ Vertical rule (penny line) shown on form. If product does not support the vertical rule, then the cover letter **must** indicate that the product will always print a decimal point.
- ☐ Follows “Guidelines for Preparing Scannable Tax Forms” beginning on page 25.

Keying Symbols, Source Code, and ID Code

- ☐ Follows “Guidelines for Preparing Scannable Tax Forms” beginning on page 25.

Scannable Form 540A Overlay

To get overlay approval, submit materials needed to create a Scannable Form 540A tax return (i.e., overlay, overlay instructions, and tax return data)

* If your software does not support this item, indicate so in your cover letter.

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Scannable Form 540A Specifications

Definitions:	ALPHA	=	A-Z (MUST BE ALL CAPS)
	NUMERIC	=	0-9
	ALPHANUMERIC	=	A-Z, 0-9
	LEFT JUSTIFY	=	LJ

Print Line Number	Identification	Begin Print Position	Maximum Field Length	End Print Position	Field Description
1 - 3	Blank	-	-	-	-
4	Title of Form and Tax Year Area	6	25	30	conventional form size/style
4	Patch Area	33	20	52	use Kodak patch code specifications
5	Title of Form and Tax Year Area	6	25	30	conventional form size/style
5	Patch Area	33	20	52	use Kodak patch code specifications
5	Form Identifier (540A) Area	71	5	75	conventional form size/style
6	Title of Form and Tax Year Area	6	25	30	conventional form size/style
6	Bold Line	6	25	30	-
6	Patch Area	33	20	52	use Kodak patch code specifications
6	Form Identifier (540A) Area	71	5	75	conventional form size/style
6	Bold Line	55	26	80	-
7	Patch Area	33	20	52	use Kodak patch code specifications
8	Patch Area	33	20	52	use Kodak patch code specifications
9	Do Not Attach Label Area	6	6	11	conventional form size/style
10	Do Not Attach Label Area	6	6	11	conventional form size/style
10	Taxpayer's SSN (mandatory)	16	11	26	Numeric, "-"
10	Taxpayer's Name Control (First Four Letters of Last Name) (mandatory)	29	4	32	Alpha, No Embedded Spaces No symbols or punctuation
10	If taxpayer name and address information is unchanged from previous year, enter "***", otherwise leave blank (mandatory)	34	2	35	***
10	If Joint Return, Spouse's SSN (mandatory)	38	11	48	Numeric, "-"
10	Form Year Indicator (mandatory)	54	2	55	"97"
10	PACARRP Box Area	69	12	80	conventional form size/style
11	Do Not Attach Label Area	6	6	11	conventional form size/style
11	Taxpayer's First name (mandatory)	16	11	26	Alpha, No Embedded Spaces
11	Taxpayer's Middle Initial	29	1	29	Alpha
11	Taxpayer's Last Name (mandatory)	32	17	48	Alpha
11	If Deceased, Enter "DECD" and Date of Death (mandatory)	51	15	65	Alphanumeric, "(DECD mm-dd-yy)"
11	PACARRP Box Area	69	12	80	conventional form size/style
12	If Joint Return, Spouse's First Name (mandatory)	16	11	26	Alpha, No Embedded Spaces
12	If Joint Return, Spouse's Middle Initial	29	1	29	Alpha
12	If Joint Return, Spouse's Last Name (mandatory)	32	17	48	Alpha
12	If Joint Return, Spouse is Deceased, Enter "DECD" and Date of Death (mandatory)	51	15	65	Alphanumeric, "(DECD mm-dd-yy)"

GUIDELINES FOR SCANNABLE FORM 540A

Scannable Form 540A Specifications					
Definitions:	ALPHA	=	A-Z (MUST BE ALL CAPS)		
	NUMERIC	=	0-9		
	ALPHANUMERIC	=	A-Z, 0-9		
	LEFT JUSTIFY	=	LJ		
Print Line Number	Identification	Begin Print Position	Maximum Field Length	End Print Position	Field Description
12	PACARRP Box Area	69	12	80	conventional form size/style
13	Step 1 Name and Address Area	6	6	11	conventional form size/style
13	Additional Address	16	30	45	Alphanumeric
13	Executor/Guardian	48	17	64	Alphanumeric
13	PACARRP Box Area	69	12	80	conventional form size/style
14	Step 1 Name and Address Area	6	6	11	conventional form size/style
14	Street Address (mandatory)	16	30	45	Alphanumeric
14	APT, STE, SP, RM, FL, BLDG, UN and NO	48	5	52	Alpha, LJ
14	Number or Letter (No symbols)	54	5	58	Alphanumeric, LJ
14	PACARRP Box Area	69	12	80	conventional form size/style
15	Step 1 Name and Address Area	6	6	11	conventional form size/style
15	City (mandatory)	16	17	32	Alphanumeric
15	State - see page 23 for abbreviations (Mandatory)	35	2	36	Alpha
15	If Foreign Address	35	19	53	Alphanumeric
15	Zip Code	39	10	48	Numeric, "-", LJ
15	PACARRP Box Area	69	12	80	conventional form size/style
16	Step 1 Name and Address Area	6	6	11	conventional form size/style
16	Bold Line	6	75	80	-
16	PACARRP Box Area	69	12	80	conventional form size/style
17 - 50	Conventional Form 540A	-	-	-	-
51 - 62	540A Scanband - see specifications on page 53	-	-	-	-
63	Conventional Form 540A	-	-	-	conventional form size/style
Note: If there is no spouse name, leave the applicable fields in print line number 12 blank. If there is no additional address or executor/guardian name, leave the applicable fields in print line number 13 blank.					

Form 540A Scannable Band Specifications (bottom of Side 1)

Definitions:	NUMERIC	=	0-9
	“1”	=	Indicates a box that has been checked. Exception: field No. 01 (filing status) will indicate the number of the box that has been checked.
	“0”	=	Will indicate no response.
	RIGHT JUSTIFY	=	RJ

Print Line Number	Identification	Begin Print Position	Mandatory Print Field	Begin Field Position	Maximum Field Length	Field Description
51	Bold line	6	-	-	75	-
52	“FOR COMPUTERIZED USE ONLY”	-	-	-	21	Alpha, Center Justify
52	Bold line	6	-	-	75	-
53	Blank	-	-	-	-	-
54	Filing Status	8	“01”	13	1	“1”, “2”, “3”, “4”, or “5”
54	State Wages Form(s) W-2	18	“12”	21	9	Numeric
54	Overpaid Tax	34	“29”	37	9	Numeric
54	Forms Indicator	50	“38”	61	1	“0”, “1”
54	CA Public School Library Protection Fund	66	“54”	69	9	Numeric
55	Claimed as a Dependent on Another Return	8	“06”	13	1	“0”, “1”
55	Total CA Income Adjustments	18	“13”	21	9	Numeric
55	Overpaid Tax Applied to 1998 Estimated Tax	34	“30”	37	9	Numeric
55	CA Seniors Special Fund	50	“47”	59	3	Numeric
55	D.A.R.E. CA (Drug Abuse Resistance Education) Fund	66	“55”	69	9	Numeric
56	Senior Exemption	8	“09”	13	1	“1”, “2”
56	CA Adjusted Gross Income	18	“14”	21	9	Numeric, “-”
56	Overpaid Tax Available This Year	34	“31”	37	9	Numeric
56	Alzheimer’s Disease/Related Disorders Fund	50	“48”	53	9	Numeric
56	CA Military Museum Fund	66	“56”	69	9	Numeric
57	Number of Dependents	8	“10”	12	2	Numeric
57	Standard/Itemized Deductions	18	“15”	21	9	Numeric
57	Tax Due	34	“32”	37	9	Numeric
57	CA Fund For Senior Citizens	50	“49”	53	9	Numeric
57	Tax Preparer’s ID (FEIN) (Mandatory, professional products only)	-	-	69	9	Numeric, no dashes, RJ
58	5805 Attached Box	8	“5805”	13	1	“0”, “1”
58	Total Tax	18	“23”	21	9	Numeric
58	Total Contributions	34	“34”	37	9	Numeric
58	Rare/Endangered Species Program	50	“50”	53	9	Numeric
59	CA Income Tax Withheld	18	“24”	21	9	Numeric
59	Refund or No Amount Due	34	“35”	37	9	Numeric
59	Children’s Trust Fund/Prevention of Child Abuse	50	“51”	53	9	Numeric

GUIDELINES FOR SCANNABLE FORM 540A

Form 540A Scannable Band Specifications (bottom of Side 1)

Definitions:	NUMERIC	=	0-9			
	"1"	=	Indicates a box that has been checked. Exception: field No. 01 (filing status) will indicate the number of the box that has been checked.			
	"0"	=	Will indicate no response.			
	RIGHT JUSTIFY	=	RJ			
Print Line Number	Identification	Begin Print Position	Mandatory Print Field	Begin Field Position	Maximum Field Length	Field Description
60	1997 CA Estimated Tax and Amount Applied from 1996 Return (include amounts from FTB 3519)	18	"25"	21	9	Numeric
60	Amount You Owe	34	"36"	37	9	Numeric
60	CA Breast Cancer Research Fund	50	"52"	53	9	Numeric
61	Excess CA SDI or VPDI Withheld	18	"27"	21	9	Numeric
61	Underpayment of Estimated Tax	34	"37"	37	9	Numeric
61	CA Firefighters' Memorial Fund	50	"53"	53	9	Numeric
62	Bold line	6	-	75	-	-

Note: Record Layout is Reduced

FTB Pub. 1098 1997 **Page 55**

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Note: Record Layout is Reduced

FTB Pub. 1098 1997 **Page 57**

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Scannable Form 540A Example Side 1

Note: Example is Reduced

California Resident
Income Tax Return 1997

540A

DO NOT
ATTACH
LABEL

111-11-1111 SMIT 222-22-2222 97
 ROBERT J SMITH (DEC) 12-10-87;
 KELLY J SMITH (DEC) 12-11-87;

Do not write
in these spaces

P

AC

R

K

RP

Step 1

Name
and
Address

3452 1/2 BJSY DR NO 5
 SORDERTOWN CA 12345-1111 ROBERT ROBERTS

Step 2

Filing Status

- 1 ☐ Single
 2 ☒ Married filing joint return (even if only one spouse had income)
 3 ☐ Married filing separate return. Enter spouse's social security number above and full name here _____
 4 ☐ Head of household. See instructions. If no qualifying person is a child for tax purposes, enter child's name here _____
 5 ☐ Qualifying widow(er) with dependent child. Enter year spouse died 18 _____

Step 3

Exemptions

Do not enter
state amounts
on this formAttach check
or copy of
order and
Form 1040-ET

- 6 If your parent(s) or someone else can claim you (or your spouse, if married) as a dependent on their tax return, even if that person chooses not to, check here. ☐ 6
 7 Personal: If you checked box 1, 3 or 4 above, enter 1. If you checked box 2 or 5, enter 2. If you checked the box on line 6, see instructions. ☐ 7
 8 Blind: If you (or if married, your spouse) are visually impaired, enter 1. If both are visually impaired, enter 2. ☐ 8
 9 Senior: If you (or if married, your spouse) are 65 or older, enter 1. If both are 65 or older, enter 2. ☐ 9
 10 Dependents: Enter name and relationship. Do not include yourself, your spouse or the person listed on line 4.
 RACHEL SMITH - DAUGHTER
 JORDAN SMITH - SON Enter the total number of dependents 10 2
 11 Add line 7 through line 10. These are your total exemptions. 11 4

Step 4

Taxable
IncomeAttach copy of your
Form(s) W-2, W-3G
and 1040-ET here.

- 12a State wages from your Form(s) W-2, box 17. ☐ 12a 55,000
 12b Federal adjusted gross income from your TeleFile Tax Record, line H, Form 1040EZ, line 4; Form 1040A, line 18; or Form 1040, line 32. If this amount is over \$100,000, STOP; you must file Form 540. ☐ 12b 55,000
 13 Total California income adjustments. Enter amount from Side 2, Part I, line 7. ☐ 13 1,000
 14 Subtract line 13 from line 12b. This is your California adjusted gross income. See instructions. ☐ 14 49,000
 15 Enter the "Your CA dependent deduction or" See the instructions for the chart or worksheet that helps if "Your CA itemized deductions" applies to you. Be sure to enter an amount on this line. ☐ 15 5,166
 16 Subtract line 15 from line 14. This is your taxable income. If less than zero, enter -0-. ☐ 16 43,834

Step 5

Tax
and
Credits

- 17 Use the tax table or tax rate schedules to find the tax on the amount shown on line 16. ☐ 17 1,302
 18 Exemption credits. If line 14 is less than: \$33,750 (single or head of household); \$45,000 (married filing joint or qualifying widow(er)); or \$22,500 (married filing separate), multiply \$33 by the amount on line 11. Otherwise, see instructions. ☐ 18 272
 23 Subtract line 18 from line 17. This is your total tax. If less than zero, enter -0-. ☐ 23 1,030

FOR COMPUTERIZED USE ONLY

01	2	12	55000	29	970	38	1	54	000000000
05	0	13	1000	30	0	47	0	55	000000000
09	0	14	49000	31	970	48	0	56	000000000
10	2	15	5166	32	0	49	0		987654321
5405	1	23	1030	34	25	50	0		
		24	2000	35	370	51	0		
		25	0	36	0	52	0		
		27	0	37	0	53	0		

Scannable Form 540A Example Side 2

Note: Example is Reduced

Step 6		24 California income tax withheld. Enter total from all 1997 Forms W-2, W-2G and 1099-R. Also, attach forms to Side 1.	24	2,000
Overpaid Tax or Tax Due		25 1997 California estimated tax and amount applied from 1996 return. Include amount paid with extension payment voucher, form FTB 3519	25	
		27 Did either you or your spouse receive more than \$31,767 in wages in 1997? Yes. See instructions. No, go to line 28	27	
		28 Total payments and credits. Add line 24, line 25 and line 27	28	2,000
		29 Overpaid tax, if line 28 is more than line 23, subtract line 23 from line 28	29	970
		30 Enter the amount of line 29 you want applied to your 1998 estimated tax	30	
		31 Overpaid tax available this year. Subtract line 30 from line 29	31	970
		32 Tax due, if line 29 is less than line 23, subtract line 29 from line 23	32	
Step 7		34 Total contributions. Enter amount from Part 1, line 11 below	34	25
Richard or Amanda You Own		35 REFUND or NO AMOUNT DUE. Subtract line 34 from line 31. Enter the result here. Mail return to: IMAGE PROCESSING, FRANCHISE TAX BOARD, PO BOX 902840, SACRAMENTO CA 95820-0009	35	\$ 945
		36 AMOUNT YOU OWE. Add line 32 and line 34. Enter the result here. Make a check or money order payable to "Franchise Tax Board" for the full amount. Write your social security number and "987 Form 540A" on it. Complete Form 540-M. Attach both to the front of your Form 540A and mail to: FRANCHISE TAX BOARD, PO BOX 902847, SACRAMENTO CA 95827-0001	36	\$
		37 Underpayment of estimated tax. If form FTB 3905 is attached, check here	37	
		38 If you do not need California income tax forms, transfer to you next year, check here	38	<input checked="" type="checkbox"/>
Part II California Income Adjustments. See instructions.				
1 State income tax refund adjustment (from Form 1040, line 40). See instructions		1	1,000	
2 Unemployment compensation adjustment (from federal TeleFile Tax Record, line C, Form 1040EZ, line 9, Form 1040A, line 12, or Form 1040, line 19). See instructions		2		
3 Social security benefits adjustment or tax and tier 1 earned retirement benefits adjustment. See instructions		3		
4 California nonresidents' income or dividend income adjustment. See instructions		4		
5 California IRA distributions adjustment. See instructions		5		
6 California pensions and annuities adjustment. See instructions		6		
7 Total California income adjustments. Add line 1 through line 6. Enter here and on Side 1, line 13		7	1,000	
Part III Contributions.				
1 Contribution to California Senior Special Fund. See instructions. You may make a contribution of \$1 or more to the following funds		1	47	
2 Alzheimer's Disease/Related Disorders Fund		2	20	
3 California Fund for Senior Citizens		3	20	
4 Rural and Endangered Species Preservation Program		4	100	
5 State Children's Trust Fund for the Prevention of Child Abuse		5	100	
6 California Breast Cancer Research Fund		6	100	
7 California Firefighters' Memorial Fund		7	100	
8 California Public School Library Protection Fund		8	100	
9 CARE, California (Drug Abuse Resistance Education) Fund		9	100	
10 California Military Museum Fund		10	25	
11 Total contributions. Add line 1 through line 10. Enter here and on line 34 above		11	25	
Part III Declaration.				
Under penalties of perjury, I declare that I have prepared this return and to the best of my knowledge and belief, it is true, correct and complete		4		
Sign Here		Your signature	Spouse's signature (if filing joint, both must sign)	Date
If a married couple, both must sign.		X	X	
Did either spouse prepare this return for another person or for a business?		If "yes," enter name of preparer below: 987654321		
Do not attach your business return		Firm's name (or yours if self-employed)		
Do not attach		Firm's address		
Due to a tax law change, vendor's credit has been eliminated for 1997. You may not claim the credit on your personal income tax return.				
COMPLETING YOUR RETURN				
<ul style="list-style-type: none"> Be sure to file your return by April 15, 1998. Mail the original Form 540A (no photocopies or corrections). Submit "state" copy of Forms W-2, W-2G and 1099-R to the front of Side 1. Form 540A. If you had more than one employer during the year, be sure to attach a copy of each W-2 you receive. Stamp your check or money order for the amount you owe and Form 540-M to the front of Form 540A. Do not attach federal forms or schedules to Form 540A. If you cannot file your return by April 15, 1998, and owe tax, be sure to complete form FTB 3519, Payment Voucher for Automatic Extension for Individuals, and pay the amount you owe by April 15, 1998, to avoid late payment penalties and interest. 				

Side 2 Form 540A (1-1997)

